Newmont (NYSE: NEM) - Q2 2026 Results, the Gold Cycle & Valuation

Second quarter ended June 30, 2026, reported in US dollars. Newmont is the world's largest gold producer by output, with a global portfolio of managed mines plus joint-venture interests (Nevada Gold Mines, Pueblo Viejo, Fruta del Norte). Record gold prices lifted adjusted EBITDA to $3.8B and produced record second-quarter free cash flow of $2.2B (below Q1's $3.1B), funding a large buyback while unit costs rose sharply.

A factual snapshot built from Newmont's public filings and verified market data. It contains no Blackspear forecast, price target, or recommendation.

ADJUSTED EPS (Q2'26)	FREE CASH FLOW (Q2'26)	REALIZED GOLD PRICE	AISC (BY-PRODUCT)
$2.10	**$2.2B**	**$4,414**	**$1,621**
adj. net income $2.2B; adj. EBITDA $3.8B	record for a Q2, but below Q1's $3.1B	per oz; vs $3,320 a year ago	per oz; up 58% from $1,029 in Q1 (Cadia)

ATTRIBUTABLE GOLD PRODUCTION BY PORTFOLIO - Q2 2026 (KOZ)

PORTFOLIO	Q2'26	Q2'25	SHARE
Managed core (12 mines)	941	1,124	73%
Nevada Gold Mines (38.5%)	240	239	19%
Pueblo Viejo (40%)	74	63	6%
Fruta del Norte (32%)	38	38	3%
Total core portfolio	**1,293**	**1,464**	**100%**

Total attributable production, including 14 koz of since-divested non-core assets in Q2'25, was 1,293 koz and 1,478 koz respectively. Production fell 1% from the prior quarter, mainly due to seismic events at the Cadia mine (which cut Cadia to 34 koz from 94 koz) plus lower grades at Ahafo South, Peñasquito and Yanacocha. The company remains on track for full-year 2026 guidance of 5.26M attributable gold ounces, with output weighted to the second half. Gold by-product cost applicable to sales was $1,043/oz.

RESULTS & CASH HIGHLIGHTS - Q2 2026

Sales	$6.1B
Realized gold price	$4,414/oz
Net cash from operating activities	$2.9B
Capital expenditures	$0.7B
Free cash flow	$2.2B
Cash / net cash position	**$9.0B / $3.4B**

Free cash flow was $2.2B on record gold prices, though all-in sustaining cost rose sharply, up about 58% sequentially (from $1,029/oz in Q1) and 18% year-over-year, to $1,621/oz on the Cadia seismic-event costs, higher sustaining capital, and Ghana royalties. Newmont ended the quarter with $9.0B of cash, $13.0B of liquidity, and a net cash position of $3.4B.

HOW TO READ THE NUMBERS

- Earnings are highly leveraged to gold, which is near record highs (about $4,375/oz spot); the realized price eased to $4,414 from $4,900 in Q1 as gold pulled back.
- Adjusted figures are non-GAAP; AISC ("all-in sustaining cost") is a by-product measure that credits copper and silver sales against gold cost.
- Rising unit costs (AISC up about 58% sequentially and 18% year-over-year) are compressing margins even as prices stay high.
- Heavy capital returns are funded by gold-driven free cash flow; both move with the metal price (see page 2).

CAPITAL ALLOCATION & BALANCE SHEET - AS OF JUNE 30, 2026

A NET-CASH BALANCE SHEET FUNDING HEAVY BUYBACKS AND A DIVIDEND

RETURNED SINCE LAST CALL	BUYBACK AUTHORIZATION	DIVIDEND	CASH / NET CASH
$1.9B	**$6.0B**	**$1.04/yr**	**$9.0B / $3.4B**
$1.7B buybacks + dividends	$4.3B remaining; share count down ~9%	$0.26/qtr indicated; ~0.9% yield	$13.0B liquidity; ~$5.6B debt & leases

Newmont has reduced its share count by more than 100M shares (about 9%) since February 2024 through buybacks, and targets a roughly $1 billion net-cash balance sheet through the cycle. Full-year 2026 guidance is $1.95B of sustaining capital and $1.4B of development capital as it advances growth projects (including Red Chris and expansions). The buyback and dividend are funded by free cash flow that depends on the gold price; a lower price would reduce the capacity to return capital.

VALUATION SNAPSHOT - BELOW ITS 52-WEEK HIGH (MID-AUGUST 2026)

Share price (NYSE, recent)	**~$117.76**
Market capitalization (~1.05B sh.)	**~$124B**
Cash / debt & leases	**$9.0B / ~$5.6B**
Net cash position	**~$3.4B**
Enterprise value (less net cash)	**~$120B**
52-week range	**$67.20-$134.88**
Adjusted EPS (Q2 / H1'26)	**$2.10 / $5.01**
P / E (trailing GAAP TTM ~$7.9)	**~14.9x**
Fwd P / E (consensus ~$10)	**~11.8x**
EV / adj. EBITDA (annualized ~$17.8B)	**~6.8x**
Dividend ($1.04/yr) & yield	**~0.9%**
Earnings reflect record gold	**yes**

The multiples (~15x trailing earnings, ~6.8x EV/EBITDA) sit on **cyclically high gold prices**: metal prices are volatile and the current period reflects gold near record highs. On mid-cycle gold, earnings and these multiples would be materially different. As the sector's largest producer, Newmont trades at a premium to smaller peers; forward consensus (~$10) puts the forward P/E near 12x. Multiples move with the share price and the gold price, refresh before relying on them.

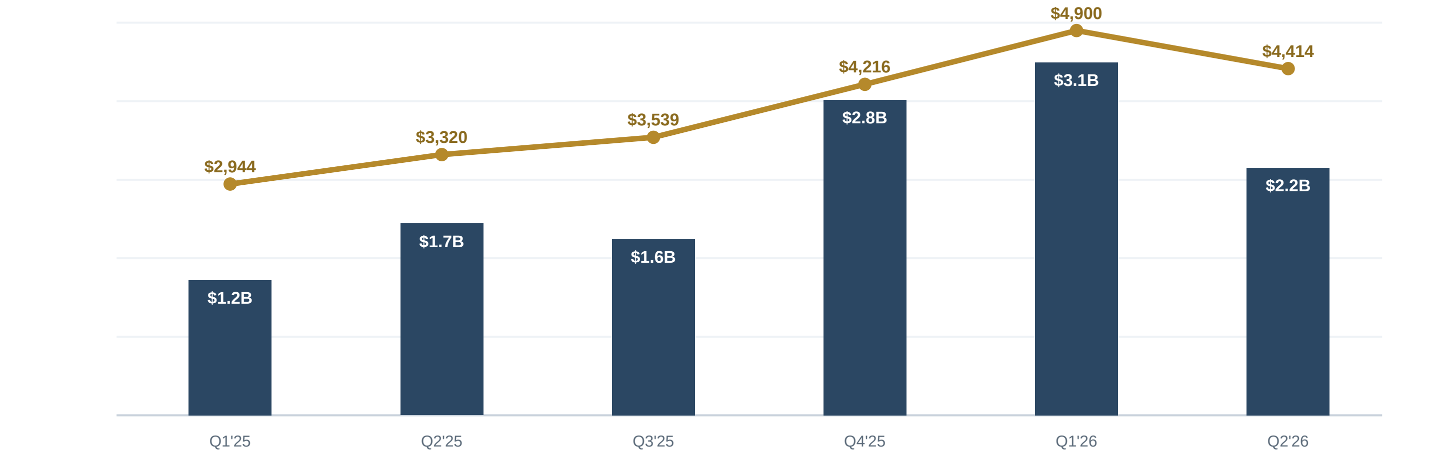
Full Excel model - linked tabs (mine-by-mine build, gold/copper/silver price sensitivity, cost bridge, capital-returns model, valuation, source tie-outs) - available on request. Email **info@blackspearllc.com** for a copy.

Newmont (NYSE: NEM) - Valuation, the Gold Cycle & Key Risks

The world's largest gold producer, generating record cash flow on gold near all-time highs. Free cash flow has surged with the gold price, funding a large buyback and a net-cash balance sheet. The debate is whether scale, a diversified portfolio, and capital returns justify a premium to peers, or whether rising costs and a mean-reverting gold price cap the upside.

Quarterly data from Newmont disclosures and public market data; guidance is company estimate; multiples are Blackspear calculations. Nothing here is a Blackspear price target or recommendation.

FREE CASH FLOW VS. REALIZED GOLD PRICE, BY QUARTER



Free cash flow (bars, US$) **Realized gold price** (line, US$/oz) free cash flow tracks the gold price; Q2'26 eased as gold fell from Q1's $4,900

TRAILING P/E (GAAP)	EV / ADJ. EBITDA	NET CASH	AISC (BY-PRODUCT)
~14.9×	**~6.8×**	**$3.4B**	**$1,621**
on TTM ~$7.9	on ~$17.8B annualized	$9.0B cash; $13.0B liquidity	per oz; up 58% QoQ

VALUATION & THE CYCLE

Recent price (NYSE)	**~$117.76**
Market cap / EV	**~$124B / ~$120B**
Adjusted EPS (Q2 / H1'26)	**$2.10 / $5.01**
Trailing P/E (GAAP TTM)	**~14.9×**
Forward P/E (consensus ~$10)	**~11.8×**
EV / adj. EBITDA (annualized)	**~6.8×**
Realized gold (Q1 → Q2'26)	**$4,900 → $4,414**
AISC by-product / net cash	**$1,621 · $3.4B**

SCALE AND CASH, AT A PEER PREMIUM

LEVERAGED TO GOLD NEAR RECORD HIGHS

Premium multiples, on peak-cycle gold

NEM trades at ~15x trailing earnings and ~6.8x EV/EBITDA, a premium to smaller gold peers, on gold near record highs (spot ~$4,375). Bulls point to unmatched scale, a diversified low-to-mid-cost portfolio, a net-cash balance sheet, and heavy buybacks that shrink the share count. Bears note earnings are highly leveraged to a volatile, mean-reverting gold price, unit costs are rising sharply (AISC up about 58% sequentially, 18% year-over-year), operational setbacks occur (the Cadia seismic events), and on mid-cycle gold the same price would imply a much higher multiple. This frames both sides; it is not a Blackspear view.

TOP RISK FACTORS - SUMMARIZED FROM THE COMPANY'S FILINGS

- **Metal-price cyclicality.** Earnings and cash flow are highly leveraged to gold (and copper, silver, lead, zinc), which are volatile; the current period reflects gold near record highs, and a price decline would sharply reduce margins, free cash flow, and the capacity for buybacks.
- **Operational and single-mine events.** A large, diversified portfolio still faces mine-specific disruptions, such as the seismic events that cut Cadia's output, plus grade, sequencing, and recovery risk across many operations.
- **Reclamation and closure liabilities.** Large long-dated obligations (over $6B of reclamation and remediation liabilities, including roughly $1.8B for Yanacocha water treatment) consume cash for years.
- **Rising costs and cost inflation.** All-in sustaining cost rose sharply, about 58% sequentially and 18% year-over-year, to $1,621/oz on the Cadia seismic-event costs, higher sustaining capital, and Ghana royalties; if costs keep climbing while gold falls, margins compress quickly.
- **Jurisdiction and geopolitics.** Mines span Australia, the Americas, Africa (Ghana), Papua New Guinea, Peru and Argentina; permitting, taxes, royalties, currency, and political risk vary by country and can change.
- **Capital-return and execution risk.** Buybacks and the dividend depend on gold-driven free cash flow and are discretionary; integrating acquired assets and delivering growth projects on time and budget carries execution risk.

On the numbers. Reported results are from Newmont's Q2 2026 news release and Form 10-Q (US dollars). The chart shows quarterly free cash flow (bars) against the average realized gold price (line) from Q1 2025 to Q2 2026; free cash flow rose with gold and eased in Q2 2026 as the realized price fell from Q1's $4,900 and seismic events hit Cadia. Net cash of $3.4B is cash of $9.0B less about $5.6B of debt and lease obligations. EV/EBITDA uses adjusted EBITDA annualized from the first half (~$17.8B); the trailing P/E is on trailing-twelve-month GAAP earnings of about $7.90, and forward consensus is about $10. All are mechanical Blackspear calculations on cyclically high gold prices, not estimates, price targets, or recommendations.